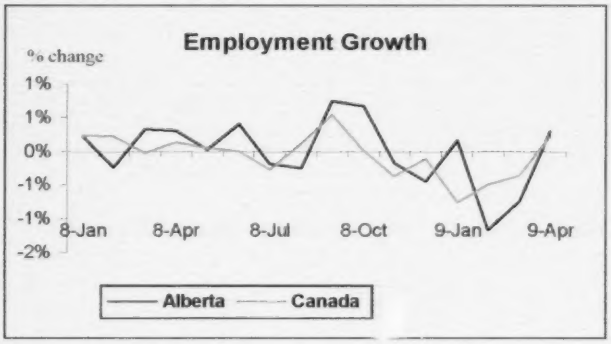
Labour Markets

Employment defies expectations…

Alberta gained 5,700 jobs between March and April, reversing two consecutive months of job losses. However, employment remains down 14,400 from last April. Despite the increase, the unemployment rate ticked up 0.2% from March, to 6%, owing to an increase in the labour force. Nationally, the Canadian economy gained 35,900 jobs in April thanks to an increase in the self-employed, while the unemployment rate remained steady at 8.0%.



US still shedding jobs…

The US economy continued to lose jobs at an alarming pace in April, with total nonfarm employment falling by 539,000, and the unemployment rate jumping to a new 26-year high of 8.9%. Since the recession began in December 2007, the US has shed 5.7 million jobs. Job losses were widespread across industries in April, with the only exceptions being healthcare and government.

Building Permits

After months of decline, some good news…

Alberta building permits gained momentum for the first time this year, with a seasonally-adjusted, month-over-month increase of 34.1% in March. Both residential and non-residential permits saw strong increases of 30.5% and 37.2%, respectively. Alberta's increase is comfortably above the Canadian average of 23.5%. While this is encouraging news, it may be premature to declare a recovery; the value of new permits in Alberta was still down 29.8% from March 2008.

Canadian Dollar (US¢/CS)	
May 8, 2009	86.35
May 1, 2009	84.23
2009-10 YTD	82.48
WTI Oil US$/bbl	
May 7, 2009	$ 56.71
April 30, 2009	$ 51.12
2009-10 YTD	$ 50.90
Nymex Natural Gas CS/MMBtu *	
Near-month Contract	
May 8, 2009	$ 4.90
May 1, 2009	$ 4.20

* Estimate based on Nymex Futures Market Price

Housing Starts

Housing begins to stablize…

Alberta housing starts increased slightly to 12,400 in April, an increase of 4.2% from March. While housing starts in the province are down 59.2% year-over-year, it appears that the market is beginning to stabilize. This was not the case nationally, as Canadian housing starts were down 19.9% from March.

Farm Product Prices

Cattle prices increase…

The price received by farmers in Alberta for cattle increased in March. The slaughter price was $86.46 per hundredweight, up 11.2% from February, and up 16.4% from March 2008.

Energy Prices and the Canadian dollar

Markets rally lifts energy prices and the loonie…

Markets rallied dramatically this week, as the TSX surpassed 10,000 amid unexpected employment gains, as well as results from the Federal Reserve's banking sector 'stress tests'. Oil prices also saw a remarkable recovery, reaching a six month high of US$56.71/bbl on Thursday. Natural gas was also up, to C$4.90 /MMBtu. Recovering commodities and better than expected economic data lifted the loonie by more than two cents to 86.35 cents US.

Alberta

CURRENT ECONOMIC INDICATORS

May 8, 2009

Overall Economy	2007	2008	2009YTD*	Nov	Dec	Jan	Feb	Mar	Apr
Real GDP (in 2002 $billions)	187.5	187.0	--	--	--	--	--	--	--
% change	3.1	-0.2	--	--	--	--	--	--	--
Nominal GDP ($ billions)	258.9	291.7	--	--	--	--	--	--	--
% change	8.1	12.6	--	--	--	--	--	--	--
Population[1] (000's) (level)	3,511	3,585	3,632	--	--	3,632	--	--	--
% change	2.6	2.1	2.4	--	--	2.6	--	--	--
Net Interprovincial Migraton[1] (level)	33,809	10,010	11,125	--	--	6,198	--	--	--
Net International Migration[1] (level)	16,136	19,283	9,004	--	--	4,097	--	--	--
Net Non-permanent Residents[1] (level)	13,539	17,890	12,931	--	--	4,870	--	--	--
Labour Market									
Employment (000's) NSA	1,959	2,013	2,002	2,032	2,023	2,026	2,002	1,987	1,993
% change	4.7	2.8	-0.1	3.2	1.5	1.2	0.2	-1.0	-0.9
Unemployment Rate (%) NSA	3.5	3.6	5.4	3.5	4.2	4.4	5.4	5.8	6.0
Average Hourly Wage Rate	6.0	5.7	4.6	5.0	4.1	6.2	4.5	3.6	--
Average Weekly Earnings[2]	5.8	6.0	6.2	7.6	6.3	7.0	5.4	--	--
Labour Income[3]	11.3	8.4	--	7.3	6.8	--	--	--	--
Price Indices									
Consumer Price Index	5.0	3.1	1.4	2.1	1.9	1.2	2.1	0.9	--
Excluding food and energy	4.9	1.9	1.7	1.8	1.7	1.5	2.0	1.4	--
Non-Res. Const. Cost Index[4] (quarterly)	17.3	13.2	--	8.8 (Q4)	--	--	--	--	--
Farm Product Price Index	14.3	11.1	-7.1	-0.9	-4.7	-6.2	-7.9	--	--
Crops	41.4	26.3	-24.3	-14.9	-20.7	-22.8	-25.7	--	--
Livestock	0.7	2.1	13.0	17.7	13.5	13.7	12.4	--	--
Household Sector									
Housing Starts (SAAR, 000's) NSA	48.1	29.0	13.2	20.5	20.0	15.7	12.6	11.9	12.4
% change	-2.1	-39.7	-65.2	-52.7	-48.3	-53.0	-59.4	-75.1	4.2
New Housing Price Index	22.5	0.7	-9.0	-5.1	-6.1	-8.4	-9.6	--	--
Edmonton	32.1	1.0	-11.3	-7.9	-8.2	-10.4	-12.2	--	--
Calgary	16.2	0.6	-6.8	-2.5	-4.3	-6.5	-7.1	--	--
MLS Average Resale Prices	24.3	-1.4	-9.9	-4.2	-7.4	-10.0	-9.2	-10.4	--
Edmonton	34.3	-2.0	-7.8	-2.0	-5.7	-4.5	-8.7	-10.1	--
Calgary	18.7	-2.9	-11.2	-6.0	-9.4	-11.4	-10.8	-11.3	--
Retail Sales	9.3	-0.1	-9.9	-5.6	-7.7	-6.4	-13.4	--	--
New Motor Vehicle Sales	3.3	-7.3	-29.0	-11.6	-23.6	-22.5	-35.4	--	--
Business Sector									
Public and Private Investment[5]	9.1	3.6	-14.0	--	--	--	--	--	--
Mining and oil and gas[5]	0.3	-1.4	-28.2	--	--	--	--	--	--
Rigs Drilling NSA	-35.2	-2.1	-43.8	3.5	-10.2	-24.4	-43.9	-60.8	-42.0
Goods Exports (customs based)	5.3	33.2	-28.7	16.4	-7.9	-27.3	-30.2	--	--
Energy	4.4	40.9	-33.2	18.0	-7.9	-31.5	-35.1	--	--
Agriculture	9.8	28.6	0.0	35.8	16.8	-3.4	3.6	--	--
Total Farm Cash Receipts (quarterly)	11.9	15.2	--	--	8.5 (Q4)	--	--	--	--
Manufacturing Shipments	1.9	6.9	-14.0	-4.6	-8.2	-13.4	-14.6	--	--
Wholesale Trade	5.0	10.9	-0.9	5.9	13.6	4.5	-6.1	--	--
Building Permits NSA	13.4	-16.5	-51.5	-14.7	-29.1	-52.5	-67.5	-29.8	--
Residential	10.7	-31.5	-58.9	-42.2	-37.2	-67.0	-72.5	30.5	--
Non-residential	17.1	3.7	-44.2	24.5	-21.4	-40.2	-62.9	--	--

Government of Alberta
Finance and Enterprise

* YTD -- year-to-date represents the change since the beginning of the year compared to the same period in the previous year.

[1] Quarterly; annual numbers are presented on a census year basis (July 1 - June 30). The January population estimate is also the 2009 year-to-date value.

[2] The average weekly earnings series was extensively revised on March 31, 2009 and is no longer comparable with numbers in previous Bulletins

[3] Total income earning in Alberta including wages and salaries, and supplementary income.

[4] Average of Calgary and Edmonton.

[5] 2009 based on initial investment intentions, 2008 preliminary actuals, and 2007 actuals

Sources: All data is from Statistics Canada except Housing Starts (Canada Mortgage and Housing Corporation), MLS Average Resale Prices (Canadian Real Estate Association) and Rigs Drilling (Canadian Association of Oilwell Drilling Contractors).

Alberta

CURRENT ECONOMIC INDICATORS, BY PROVINCE

	Canada	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.
Conference Board Forecast (Winter 2009)											
Real GDP Growth											
2007 (actuals, Statistics Canada)	**2.7%**	9.1%	2.4%	1.7%	1.7%	2.7%	2.3%	3.3%	2.5%	**3.1%**	3.0%
2008 (actuals, Statistics Canada)	***0.5%***	-0.1%	0.9%	2.0%	-0.0%	1.0%	-0.4%	2.4%	4.4%	**-0.2%**	-0.3%
2009	***-0.5%***	-2.6%	0.6%	-0.3%	0.2%	-0.4%	-1.2%	1.0%	1.6%	**-0.5%**	-0.1%
Population (As of January 1, 2009)											
Population	**33,504,680**	508,990	140,402	939,531	748,319	7,782,561	12,986,857	1,213,815	1,023,810	**3,632,483**	4,419,974
Annual Growth Rate[a]	***1.21%***	0.24%	1.25%	0.25%	0.23%	0.86%	1.05%	1.11%	1.50%	**2.58%**	1.70%
Net Interprovincial Migration											
2008 Census Year (July 1, 2007 to June 30, 2008)		1,299	42	-117	-325	-12,399	-16,522	-503	8,067	**10,010**	11,458
4th Quarter (October 1, 2008 to December 31, 2008)		292	-503	108	264	-2,139	-6,517	249	949	**6,198**	1,453
Employment											
Level Change (000s)[b]	**-270.4**	-8.7	-1.8	-3.5	-1.5	-10.9	-160.9	-8.2	9.7	**-18.2**	-66.4
Percent Change[b]	***-1.6%***	-4.1%	-2.7%	-0.8%	-0.4%	-0.3%	-2.4%	-1.4%	1.9%	**-0.9%**	-2.9%
Unemployment Rate, 2009 avg (SA)	***7.7***	14.7	12.0	8.9	9.0	8.1	8.5	4.8	4.6	**5.4**	6.9
Participation Rate, 2009 avg (SA)	***67.4***	59.1	67.5	64.5	64.8	65.3	67.6	69.3	70.4	**74.6**	65.8
Average Weekly Earnings											
February 2009	**820.95**	785.86	674.74	727.89	736.16	752.77	845.19	768.25	803.63	**973.61**	786.99
Y/Y Percent Increase[c]	***1.9%***	4.5%	2.6%	3.3%	2.1%	2.2%	1.0%	2.3%	3.5%	**5.4%**	-0.7%
2009 Wage Settlements										**1.5%**	
CPI Inflation											
March Annual	**1.2%**	0.5%	-0.2%	0.0%	0.2%	0.8%	1.8%	1.1%	1.8%	**0.9%**	1.1%
Excluding Shelter	**0.9%**	0.1%	0.7%	-0.1%	0.3%	0.5%	1.1%	0.2%	0.2%	**1.1%**	1.4%
Housing Starts (000s)											
SAAR April 2009	**117.4**	2.8	0.5	2.5	4.2	40.9	36.3	3.1	2.9	**12.4**	11.7
Retail Sales											
Percent Change[d]	**-8.9%**	-4.9%	-7.5%	-8.2%	-7.4%	-7.0%	-7.4%	-7.5%	-5.9%	**-13.4%**	-12.9%
2009 YTD Retail Sales Growth	**-6.7%**	-3.2%	-3.6%	-4.8%	-3.5%	-4.9%	-6.3%	-4.5%	-2.7%	**-9.9%**	-9.8%
Manufacturing Shipments											
Percent Change[d]	**-18.7%**	-35.0%	-0.6%	-17.2%	-27.2%	-12.4%	-22.7%	-11.4%	-9.0%	**-14.6%**	-21.1%

a. Over the past 12 months
b. April 2009 Y/Y change, unadjusted for seasonal effects
c. Updated to January 2009
d. March 2009 Y/Y change, unadjusted for seasonal effects
SA-Seasonally Adjusted
Source: Statistics Canada, Canada Mortgage and Housing Corporation and Conference Board of Canada